

**CHAPTER 10-30.2**  
**MYRON G. NELSON FUND, INCORPORATED**

**10-30.2-01. (Repealed effective August 1, 2007) Definitions.** As used in this chapter, unless the context otherwise requires, the term:

1. "Board of directors" means the board of directors of the corporation.
2. "Corporation" means the Myron G. Nelson Fund, Incorporated.
3. "North Dakota business" means a business owned by a North Dakota resident, a partnership, association, limited liability company, or corporation domiciled in North Dakota, or a limited liability company or corporation, including a wholly owned subsidiary of a foreign limited liability company or corporation, that does business primarily in North Dakota or does substantially all of its production in North Dakota.
4. "Professional investor" means any bank, bank holding company, savings institution, trust company, credit union, insurance company, or any person, limited liability company, partnership, or other entity whose principal business is making venture capital investments.
5. "Shareholder" means a registered owner of shares in the corporation.

**10-30.2-02. Public corporation established - Corporate purpose.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-03. Powers of corporation.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-04. Capitalization - Payment of dividends.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-05. Board of directors.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-06. Professional investor to manage corporate funds - Investment policy.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-07. (Repealed effective August 1, 2007) Confidentiality of records.** The records of the corporation or a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.], or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.], and any amendments thereto, are confidential.

**10-30.2-08. Guarantee of industrial revenue bonds.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-09. Annual audit.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-10. Annual report.** Repealed by S.L. 1995, ch. 107, § 15.

**10-30.2-11. (Repealed effective August 1, 2007) Tax credits for investment by financial institutions and insurance companies.** A financial institution as defined in section 57-35.3-01 or insurance company that invests in stock issued by the corporation, or in a separate legal entity such as a limited partnership or limited liability company created by the corporation as an affiliate for the purpose of obtaining investment capital from the public, or invests in either equity or debt instruments or securities offered by a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the

Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.] and any amendments thereto, is entitled, subject to section 10-30.2-13, to a credit in an amount equal to fifty percent of the total amount invested against the tax liability imposed against the taxpayer pursuant to section 26.1-03-17 or sections 57-35.3-01 through 57-35.3-12, if applicable. The tax credit allowed under this section must be credited against the taxpayer's tax liability for the taxable year in which full consideration for the investment is paid by the taxpayer. The amount by which the credit allowed by this section exceeds the taxpayer's tax liability in that year may be carried forward for seven taxable years. Except in the case of a tax credit that is carried forward from a prior tax year, no tax credit is allowed under this section to a taxpayer who received a tax credit for investment in the corporation and as a result of the dissolution of the corporation agreed to invest in the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.].

**10-30.2-12. (Repealed effective August 1, 2007) Income tax credits for investment.**

A taxpayer that invests in stock issued by the corporation, or in a separate legal entity such as a limited partnership or limited liability company created by the corporation as an affiliate for the purpose of obtaining investment capital from the public, or in investments in either equity or debt instruments or securities offered by a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.] is entitled, subject to section 10-30.2-13, to a credit in the amount equal to twenty-five percent of the total amount invested against any state income tax liability imposed against the taxpayer. The tax credit allowed under this section must be credited against the taxpayer's tax liability for the taxable year in which full consideration for the investment is paid by the taxpayer. The amount by which the credit allowed by this section exceeds the taxpayer's tax liability in that year may be carried forward for seven taxable years. No taxpayer claiming a credit under this section is eligible to claim a credit for the same investment under chapter 10-30.1. Except in the case of a tax credit that is carried forward from a prior tax year, no tax credit is allowed under this section to a taxpayer who received a tax credit for investment in the corporation and as a result of the dissolution of the corporation agreed to invest in the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.].

**10-30.2-13. (Repealed effective August 1, 2007) Limitation on tax credits.** The state tax commissioner shall allow tax credits pursuant to sections 10-30.2-11 and 10-30.2-12 which are attributable to not more than the first ten million dollars of total investment in the corporation or in an affiliate of the corporation, or in investments in either equity or debt instruments or securities offered by a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.], or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.], and any amendments thereto. However, the total amount of investments for which tax credits are allowed for all taxpayers under this chapter for the period beginning January 1, 1989, and ending December 31, 1990, is one million two hundred fifty thousand dollars. If investments reported to the state tax commissioner pursuant to section 10-30.2-13.1 exceed the ten million dollar limitation imposed by this section, the credit must be allowed to taxpayers in the chronological order of their investments in either the corporation or an affiliate of the corporation or a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.], or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.], and any amendments thereto, as determined from the forms provided for in section 10-30.2-13.1.

**10-30.2-13.1. (Repealed effective August 1, 2007) Investment reporting forms.**

Within thirty days of the date on which an investment is purchased, or within sixty days from July 1, 1989, the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.] must file with the state tax commissioner and provide to the investor the completed form prescribed by the state tax commissioner stating with respect to the investment in the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.] the following:

1. The name, address, and identification number of the taxpayer who purchased the investment.
2. The dollar amount paid by the taxpayer for the investment.
3. The date on which the corporation or an affiliate of the corporation received full consideration for the investment.

**10-30.2-13.2. (Repealed effective August 1, 2007) Tax credit procedure.** To receive the tax credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual tax return in the manner prescribed by the state tax commissioner and file with that tax return a copy of the form issued by the corporation, an affiliate of the corporation, or a small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.], or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.], and any amendments thereto, pursuant to section 10-30.2-13.1.

**10-30.2-14. (Repealed effective August 1, 2007) State and board of director immunity from liability.** The state of North Dakota and the board of directors are not liable for any damage incurred by an investor in the corporation, or a separate legal entity such as a limited partnership or limited liability company created by the corporation as an affiliate for the purpose of obtaining investment capital from the public or the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.].

**10-30.2-15. (Repealed effective August 1, 2007) Dissolution of corporation - Validation of acts and transfer of assets.** The corporation is dissolved and the assets now held by the corporation are transferred to the Bank of North Dakota.

**10-30.2-16. (Repealed effective August 1, 2007) Final report.** Notwithstanding the provisions of section 10-30.2-07, upon final establishment of the small business investment company created by the corporation and licensed by the small business administration under the Small Business Investment Company Act of 1958 [Pub. L. 85-699; 72 Stat. 689; 15 U.S.C. 661 et seq.] or the Small Business Equity Enhancement Act of 1992 [Pub. L. 102-366; 106 Stat. 1007-1020; 15 U.S.C. 661 et seq.] the Bank of North Dakota shall prepare and publish a final report of the activities of the corporation for the information of the governor, the legislative assembly, and the public that must describe the manner of the corporation's dissolution and detail the distribution of the corporation's assets.